

CITT

(CITIZENS' INDEPENDENT TRANSPORTATION TRUST)

Budget & Finance Committee

Tuesday, April 26, 2005

Stephen P. Clark Center

111 N.W. 1st Street

10th Floor Conference Room

1:30 p.m.

Summary of Minutes

CITT MEMBERS PRESENT:

Theodore Wilde
Hon. Linda Zilber
Miles Moss
Susannah Troner
Hon. James Reeder

DEPUTY COUNTY MANAGER:

Pete Hernandez, P.E.

ASSISTANT COUNTY ATTORNEY:

Bruce Libhaber

OTHERS PRESENT:

Nan A. Markowitz, OCITT Executive Director
Maria Arista-Volsky, Assistant County Attorney
Marlene Amaro, OCITT
David Tinder, PWD
Lourdes Gomez, MDT
Nestor Toledo, OCITT
Chris Rosen, Budget Office

Joanna Santiago, OCITT
Patrice Rosemond, OCITT
John Prats, OCITT
Theejunia Adams, OCITT
Patty David, OCITT
Albert Hernandez, MDT

ROLL CALL

With a quorum present, Mr. Theodore Wilde, Chairman of the Budget and Finance Committee, called the meeting to order at 1:30 p.m.

CITIZENS' COMMENTS

None

ACTION ITEM

- A. RESOLUTION BY THE CITIZENS' INDEPENDENT TRANSPORTATION TRUST (CITT) RECOMMENDING THE MIAMI-DADE BOARD OF COUNTY COMMISSIONERS (BCC) AMEND THE PEOPLE'S TRANSPORTATION PLAN (PTP) TO INCLUDE THE USE OF CHARTER COUNTY TRANSIT SYSTEM (SURTAX) FUNDS FOR MIAMI DADE TRANSIT (MDT) SERVICES IN EXISTENCE AS OF NOVEMBER 5, 2002 FOR FISCAL YEARS 2001-2002, 2002-2003, 2003-2004, AND SUBSEQUENT FISCAL YEARS UNDER CERTAIN CONDITIONS

Mr. Pete Hernandez, Deputy County Manager, reported that the Joint BCC/CITT meeting held earlier today was spent discussing the pre-existing item. Under the direction of Commissioner Carlos Gimenez, MDT was requested to explore the usage of capital dollars from the general fund which could be moved into operations to diminish the current deficit

at MDT. MDT would then bond and backfill those capital dollars. Mr. Hernandez stated that although conversations are still taking place with Budget, this option does not appear feasible. Mr. Hernandez stated that MDT would need approximately \$60 million to cover fiscal years 2002, 2003 and 2004.

Mr. Hernandez explained that the other possibility is to bond the Earlington Heights MIC/MIA Connection. If the CITT were to pay the \$140 million of pre-existing services, then the general fund would pay back the debt service on the \$140 million out of the 1.5% increase of additional growth on the Maintenance of Effort. He further stated that the only down side to this situation would be that \$30-40 million dollars would be wasted in interest payments being paid to a third party.

Mr. Hernandez also stated that the other suggestion is for the county to buy the bonds and for the CITT for oversee them. If the county is buying back its own bonds, what happens if the county doesn't pay itself back? He stated that nothing could be gained by this approach because it is not a binding contract since the County cannot buy back its' own bonds. Mr. Hernandez asked Ms. Rachel Baum, Finance Director and Jerry Heffernan, Assistant County Attorney to discuss some of the aforementioned options.

Ms. Baum stated that the County currently has bonding authority confirmed in an Ordinance that the BCC adopted to allow an issue not to exceed \$500 million of bonds. If the CITT wants to assure that the next transaction of \$240 million will be issued for the Earlington Heights/MIC project and will be paid with \$140 million from the general fund and the rest with the CITT money, there could be another bond Ordinance issued. This ordinance would say that the Board is committing to issue bonds at a time of necessity when capital funds are going to be needed by a future bond resolution. She stated that this is the procedure to issue this debt. In the past, when bonding was needed and assurance was needed that the board would not reverse itself, then the board would adopt a bond ordinance, which could be done presently. As construction starts for Earlington Heights, a bond resolution will be issued in the open market to assure this debt and at this time interest will be paid. Mr. Libhaber stated that the moment that the bonds are on the market and surtax funds are committed, it would have to be approved by the BCC and then by the CITT.

Mr. Libhaber stated that the verbiage shall read that the surtax contributions for transit services existing as of November 5, 2002 shall not exceed \$143 million and said surtax contributions shall cease at the end of the 2010 - 2011 fiscal year. He further stated that the manager has recommended the Ordinance route, specifically to address some of the concerns that the Trust and the Commission have raised regarding the perception of difficulty in overturning an ordinance.

After much discussion, Mr. Wilde moved to forward the item to the EPC for further discussion on April 26, 2005. The motion was seconded by Mr. Moss and the vote carried without dissent.

NEW BUSINESS

Mr. Wilde announced that the next Budget & Finance Committee Meeting is scheduled for May 10, 2005 at 9: 30 a.m.

ADJOURNMENT

There being no further business of the Budget & Finance Committee, the meeting was adjourned at 3:45 p.m.